

STATE RISK MANAGEMENT WORKERS COMPENSATION FUND
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2008

	May-08				April-08				March-08				December-07				September-07				Current FYTD	Prior Year FY07	3 Years Ended 6/30/2007	5 Years Ended 6/30/2007
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																								
<i>Structured Growth</i>																								
Los Angeles Capital	179,731	4.3%	4.2%	4.75%	171,898	4.1%	4.2%	5.69%	162,622	4.0%	4.2%	-10.91%	168,270	4.0%	4.2%	-1.50%	178,488	4.2%	4.2%	0.38%	-2.48%	21.84%	13.35%	N/A
Total Structured Growth	179,731	4.3%	4.2%	4.75%	171,898	4.1%	4.2%	5.69%	162,622	4.0%	4.2%	-10.91%	168,270	4.0%	4.2%	-1.50%	178,488	4.2%	4.2%	0.38%	-2.48%	21.84%	13.35%	N/A
<i>Russell 1000 Growth</i>				3.67%				5.25%				-10.18%				-0.77%				4.21%	1.34%	19.04%	8.70%	
<i>Structured Value</i>																								
LSV	168,743	4.0%	4.2%	0.11%	168,869	4.0%	4.2%	4.74%	161,179	3.9%	4.2%	-9.73%	164,609	3.9%	4.2%	-5.53%	174,012	4.1%	4.2%	-0.89%	-11.38%	23.77%	19.00%	N/A
<i>Russell 1000 Value</i>				-0.16%				4.87%				-8.72%				-5.80%				-0.24%	-10.18%	21.87%	15.93%	
<i>Russell 1000 Enhanced Index</i>																								
LA Capital	352,838	8.4%	8.3%	3.05%	343,095	8.2%	8.3%	5.22%	325,997	7.9%	8.3%	-10.22%	334,706	7.9%	8.3%	-1.07%	355,332	8.3%	8.3%	0.24%	-3.45%	21.27%	13.46%	N/A
<i>Russell 1000</i>				1.83%				5.07%				-9.48%				-3.23%				1.96%	-4.42%	20.43%	12.34%	
<i>S&P 500 Enhanced Index</i>																								
Westridge	365,833	8.7%	8.3%	1.42%	388,387	9.3%	8.3%	5.00%	369,635	9.0%	8.3%	-9.12%	375,122	8.8%	8.3%	-3.04%	393,799	9.2%	8.3%	2.18%	-4.11%	21.12%	11.98%	N/A
<i>S&P 500</i>				1.30%				4.87%				-9.44%				-3.33%				2.03%	-5.12%	20.59%	11.68%	
<i>Index</i>																								
State Street	119,022			2.19%	125,316			3.91%	120,518			-10.81%	101,822			-6.37%	107,905			-0.80%	-12.02%	21.82%	12.34%	N/A
Total 130/30	119,022	2.8%	2.8%	2.19%	125,316	3.0%	2.8%	3.91%	120,518	2.9%	2.8%	-10.81%	101,822	2.4%	2.8%	-6.37%	107,905	2.5%	2.8%	-0.80%	-12.02%	21.82%	12.34%	N/A
<i>S&P 500</i>				1.30%				4.87%				-9.44%				-3.33%				2.03%	-5.12%	20.59%	11.68%	
TOTAL LARGE CAP DOMESTIC EQUITY	1,186,168	28.3%	27.8%	2.26%	1,197,565	28.7%	27.8%	5.01%	1,139,952	27.8%	27.8%	-9.94%	1,144,529	26.9%	27.8%	-2.89%	1,209,536	28.3%	27.8%	0.62%	-5.51%	21.86%	13.76%	N/A
<i>S&P 500</i>				1.30%				4.87%				-9.44%				-3.33%				2.03%	-5.12%	20.59%	11.68%	
SMALL CAP DOMESTIC EQUITY																								
<i>Manager-of-Managers</i>																								
SEI	202,791	4.8%	4.6%	4.05%	201,625	4.8%	4.6%	4.53%	192,837	4.7%	4.6%	-11.46%	189,088	4.4%	4.6%	-6.35%	196,668	4.6%	4.6%	-3.66%	-13.11%	18.39%	13.70%	N/A
<i>Russell 2000 + 200bp</i>				4.76%				4.35%				-9.43%				-4.09%				-2.60%	-7.51%	18.76%	15.72%	
<i>Enhanced</i>																								
Research Affiliates	200,432	4.8%	4.6%	4.22%	198,427	4.7%	4.6%	3.13%	192,415	4.7%	4.6%	-6.75%	179,207	4.2%	4.6%	-7.00%	187,514	4.4%	4.6%	N/A	N/A	N/A	N/A	N/A
<i>Russell 2000</i>				4.59%				4.19%				-9.90%				-4.58%				-3.09%	-9.20%			
TOTAL SMALL CAP DOMESTIC EQUITY	403,223	9.6%	9.3%	4.14%	400,053	9.6%	9.3%	3.83%	385,252	9.4%	9.3%	-9.17%	368,295	8.7%	9.3%	-6.67%	384,181	9.0%	9.3%	-4.98%	-12.90%	18.39%	13.70%	N/A
<i>Russell 2000</i>				4.59%				4.19%				-9.90%				-4.58%				-3.09%	-9.20%	16.44%	13.45%	
DOMESTIC FIXED INCOME																								
<i>Core Bond</i>																								
Western Asset	745,750	17.8%	18.6%	-0.65%	734,728	17.6%	18.6%	1.45%	725,817	17.7%	18.6%	-1.03%	783,933	18.4%	18.6%	1.63%	767,872	18.0%	18.6%	1.87%	3.28%	7.29%	4.44%	N/A
<i>Lehman Aggregate</i>				-0.73%				-0.21%				2.17%				3.00%				2.84%	7.21%	6.12%	3.98%	
<i>Mortgage Backed</i>																								
Hyperion	172,380	4.1%	4.8%	-0.47%	176,922	4.2%	4.8%	-1.88%	185,638	4.5%	4.8%	-7.97%	209,696	4.9%	4.8%	-1.00%	208,998	4.9%	4.8%	-1.78%	-12.60%	N/A	N/A	N/A
<i>Lehman Global Aggregate (US Securitized Portion)</i>				-0.70%				-0.57%				4.18%				3.15%				3.88%	10.22%			
<i>Core Plus/Enhanced</i>																								
Clifton Group	220,183	5.2%	4.8%	-0.65%	216,942	5.2%	4.8%	-0.73%	218,695	5.3%	4.8%	3.69%	228,531	5.4%	4.8%	3.99%	216,802	5.1%	4.8%	4.41%	11.04%	5.52%	N/A	N/A
Prudential	216,511	5.2%	4.8%	-0.28%	212,417	5.1%	4.8%	0.50%	212,769	5.2%	4.8%	0.95%	219,115	5.2%	4.8%	2.45%	211,043	4.9%	4.8%	1.95%	5.67%	N/A	N/A	N/A
Total Core Plus/Enhanced	436,694	10.4%	9.6%	-0.47%	429,359	10.3%	9.6%	-0.12%	431,464	10.5%	9.6%	2.35%	447,646	10.5%	9.6%	3.23%	427,844	10.0%	9.6%	3.18%	8.38%	5.95%	N/A	N/A
<i>Lehman Aggregate</i>				-0.73%				-0.21%				2.17%				3.00%				2.84%	7.21%	6.12%		
<i>Index</i>																								
Bank of ND	374,970	8.9%	8.4%	-1.09%	371,190	8.9%	8.4%	-0.87%	374,298	9.1%	8.4%	2.94%	392,161	9.2%	8.4%	3.04%	382,236	9.0%	8.4%	3.09%	7.24%	5.45%	2.92%	N/A
<i>Lehman Gov/Credit (1)</i>				-1.03%				-0.59%				2.53%				3.10%				3.01%	7.13%	6.00%	3.04%	
<i>BBB Average Quality</i>																								
Wells Capital (formerly Strong)	752,131	17.9%	18.6%	-0.95%	743,797	17.8%	18.6%	0.55%	739,437	18.0%	18.6%	0.36%	777,171	18.3%	18.6%	1.98%	757,684	17.8%	18.6%	1.48%	3.45%	7.93%	4.86%	N/A
<i>Lehman US Credit BAA</i>				-0.64%				1.30%				-1.05%				1.90%				1.67%	3.18%	7.54%	4.47%	
TOTAL DOMESTIC FIXED INCOME	2,481,925	59.1%	60.0%	-0.76%	2,455,995	58.8%	60.0%	0.30%	2,456,655	59.8%	60.0%	0.00%	2,610,607	61.4%	60.0%	2.00%	2,544,634	59.6%	60.0%	1.84%	3.40%	7.11%	3.89%	N/A
<i>Lehman Aggregate (2)</i>				-0.73%				-0.21%				2.17%				3.00%				2.84%	7.21%	6.12%	4.13%	
CASH EQUIVALENTS																								
<i>Bank of ND</i>																								
90 Day T-Bill	125,575	3.0%	3.0%	0.16%	125,233	3.0%	3.0%	0.15%	125,517	3.1%	3.0%	0.70%	129,556	3.0%	3.0%	0.96%	128,219	3.0%	3.0%	1.24%	3.25%	5.36%	4.10%	N/A
				0.03%				0.11%				0.88%				1.05%				1.34%	3.45%	5.21%	3.78%	
TOTAL RISK MANAGEMENT FUND	4,196,891	100.0%	100.0%	0.60%	4,178,846	100.0%	100.0%	1.93%	4,107,376	100.0%	100.0%	-3.45%	4,252,986	100.0%	100.0%	-0.18%	4,266,570	100.0%	100.0%	0.81%	-0.36%	12.18%	7.04%	N/A
<i>POLICY TARGET BENCHMARK</i>				0.35%				1.62%				-2.29%				0.49%				2.05%	2.18%	10.97%	6.74%	

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.